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SUBJECT: JIANGXI IN THE REARVIEW MIRROR: MILLIONS LEAVE ONE  
OF CHINA'S POOREST PROVINCES

Classified By: Acting Political Section Internal Unit Chief Susan A. Thornton. Reasons 1.4 (b/d).

Summary

1. (C) Millions of residents of Jiangxi province have left home in search of work in construction, factories and the service sector in China's coastal boomtowns. The outflow has both positive and negative aspects, according to local officials and residents. Brain drain is a problem, as Jiangxi's comparative underdevelopment spurs the best and brightest to leave and seek opportunities elsewhere. Rural areas suffer from gender and age imbalances as young men depart en masse for urban centers. One village mayor complained that returning migrants import bad habits from the city, such as drinking and gambling. Scholars and officials asserted that migration out of Jiangxi has been a net positive for the province, however, relieving pressure on infrastructure and resources. Remittances also constitute valuable income for families left behind. But with nearly one-fifth of Jiangxi's population on the move, social tensions and problems are bound to increase. End Summary.

Farewell, Jiangxi

2. (C) In April 2006, China's State Council released a report stating that some 120 million rural residents nationwide have migrated to urban areas in search of jobs and the actual figure is likely higher. Landlocked Jiangxi, in southern China, contributes millions of workers to this flow of mobile labor. Although the province has a population of some 40 million, about 7 million migrants have departed to find work in other areas of the country, Jiangxi scholars and officials told Poloff during a mid-June visit. The most popular destinations for Jiangxi's migrants are the coastal boomtowns such as Guangzhou, Shenzhen and Shanghai, said Ma Zhihui, Director of the Jiangxi Academy of Social Sciences (JASS) Institute of Economic Research.

3. (C) While the vast majority of these mobile workers are poor rural residents, Ma said that many young, educated Jiangxi natives are quick to seize employment opportunities offered by China's top cities. About one third of all Jiangxi college graduates leave, Ma estimated. In addition, newly-credentialed doctors and teachers, after completing their studies in Jiangxi, often go to provinces with better salaries and benefits.

14. (C) The teacher deficit is particularly acute, said Jiangxi native Ren Bo, who covers rural issues at Caijing Magazine, an influential national bi-weekly based in Beijing. "The best teachers all leave," she said. Ren herself left Nanchang, the province's capital, in the 1990s to attend college in Beijing, where she still lives. She complained that for her, Nanchang was stiflingly conservative -- economically, politically and in terms of people's outlook on social issues. She said most of her ambitious friends have also left Jiangxi.

15. (C) Jiangxi's annual per capita GDP of about USD 1,140 puts it in 22nd place among Chinese provinces in that category, according to Central Government statistics. Nonetheless, by official accounts, Jiangxi's economy is humming, achieving overall annual GDP growth of 11.6 percent for 2005, said Hu Shizhong, Vice Director of the Jiangxi Province Development and Reform Commission (JDRC). However, Hu commented that Jiangxi's pace of development has not matched that of China's east coast, prompting the best local entrepreneurs to leave for more promising markets in dynamic cities like Shenzhen and Guangzhou. When the Special Economic Zones were established more than 20 years ago, talented people started leaving Jiangxi, Hu complained. Without its best business minds, Jiangxi has failed to keep pace with the strong performance of its neighbors to the east and south. Moreover, as the coastal areas continue to develop quickly, Jiangxi seems to lag even further behind, Hu remarked.

Teachers Wanted  
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16. (C) By far the largest group of migrants leaving Jiangxi are rural residents who go to large cities to work in construction or low-skill jobs in the service sector, said Ma of JASS. The effects of the exodus are clearly visible in Anyi County, a 45-minute drive northwest of Nanchang. Anyi has a registered population of about 250,000, of whom about 70,000 have migrated to urban areas, said Luo Feng, the Deputy Director of the Jiangxi Provincial New Socialist Countryside Leading Group. The Leading Group is involved in an effort to establish several model "New Countryside" villages in Anyi County. The residents Poloff observed on the quiet roads and in the fields of Anyi were mainly seniors and small children. Each of the three elderly villagers Poloff spoke with in Anyi's Huangzhou township had sons and daughters who had moved to the city for work. Most come back to the village once a year during the Lunar New Year Holiday, they said, bringing money and gifts.

17. (C) Huangzhou keeps no detailed statistics about the number of people who have left, but Hu Yu, the township's mayor, described the proportion as large. She added that the out-migration has presented a number of challenges for Huangzhou. Schools in particular feel the pinch. Echoing the point Ren of Caijing made, Hu noted that retaining qualified teachers constitutes a real problem. The best leave to seek better pay, benefits and working conditions in urban areas. In addition, the outflow of young men to cities has resulted in a gender and age imbalance among those who stay behind. Most remaining residents in Huangzhou are children, seniors or single mothers. In some villages, 70 percent of the inhabitants are women, said Li Jingzhi, an official at the Jiangxi Provincial Women's Federation.

Drinking, Gambling -- and Nice Houses  
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¶8. (C) Hu Yu remarked that social problems can arise when migrants come home, either permanently or for visits. In the cities, many pick up bad habits, such as drinking and gambling. "Life is different here," Hu said, adding that returning migrants often have problems readjusting. Part of this may be culture shock. Jiangxi is a socially and politically conservative place, Zou Xueyin, a professor who studies rural issues at the Ministry of Civil Affairs Training College in Beijing. After a year or two of exposure to free-wheeling Shenzhen or Guangzhou, the traditional rural life of Jiangxi will seem dull.

¶9. (C) Despite such challenges, officials in Jiangxi said they consider migration a net positive for the province. Land and other natural resources are limited, so relief of population pressure serves as a useful safety valve, said Yang Yuzhu, a professor at the Jiangxi Province Civil Affairs Training College. He added that the income many migrants earn elsewhere and the remittances they send back help reduce the urban-rural income gap in Jiangxi. Huangzhou mayor Hu Yu related that returning migrants also bridge the knowledge gap, bringing benefits to her township by sharing the lessons they learned in the outside world. In addition, they have been known to change the physical landscape of their home villages for the better. "People who have made it come back and build beautiful houses for their families," she said.

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